

12 OCT 1977

MEMORANDUM OF CONVERSATIONS

FROM: [REDACTED]

Acting Chief, Real Estate and Construction
Division, OL

SUBJECT: DIA/CIA Consolidation Study

1. On 11 October 1977 [REDACTED] of the Defense Intelligence Agency (DIA) phoned and asked whether or not the "Feasibility Study for the Collocation or Consolidation of the Proposed DIA Headquarters Facility with CIA Facilities at Langley, Virginia," dated 7 October 1977, had been forwarded to the DCI, and I responded that it had been. [REDACTED] indicated that although General Aaron had concurred in a draft of the study, over the past weekend, [REDACTED] Comptroller for DIA, had examined the study and had convinced General Aaron that his concurrence should be withdrawn. Specifically, [REDACTED] and General Aaron were concerned about two points. The first is our recommendation that a community-wide integrated logistics support concept from which facility requirements can be derived, be investigated. General Aaron now believes that this suggestion is gratuitous, outside the limits of the study, and that neither [REDACTED] nor I have the community overview to make such a recommendation. The second point was with regard to the advantages of proposed collocation or consolidation which are given in Section IV of the study. General Aaron believes that the recommendations reflect too much of an engineering point of view and fail to recognize what he considers to be the great differences in the missions of the two agencies. Privately, and not for further dissemination, [REDACTED] indicated that [REDACTED] believes that the statements made in Section IV make the missions of DIA and CIA sound identical and could lead to a "wiping out" of the independent missions of the service intelligence organizations. [REDACTED] asked that in view of the fact that the study was already with the DCI, that I convey their new concerns to the DCI and in turn solicit the DCI's views in the matter and let him know. I promised to attempt to have his concerns relayed to the DCI but indicated that it would be impossible to ask the DCI to let me know his views on the matter. Rather, I suggested that to the extent that they disagree with the study, they should take exception to it in whatever written correspondence is forwarded from DoD to the DCI regarding the study.

SUBJECT: DIA/CIA Consolidation Study

2. On the afternoon of 11 October 1977, Mr. James H. McDonald, Director of Logistics, and the undersigned had a conference phone call with Mr. Michael J. Malanick, Acting Deputy Director for Administration, to convey the above information and asked him to convey it to the DCI. Mr. Malanick stated that he did not feel it necessary to advise the DCI of this information since any correspondence from DoD to the DCI on the subject would indicate any disagreement. Mr. McDonald expressed his concern that the original cover sheet had indicated that General Aaron concurred in the study, and that now he was withdrawing that concurrence. Mr. Malanick again indicated that he did not feel that it was necessary to discuss it with the DCI since DoD's position would be made clear in any subsequent information from DoD. Subsequently, on 12 October, Mr. McDonald advised that Mr. Malanick had reconsidered and would be sending a note to the DCI summarizing

25X1 [redacted] comments and indicating that General Aaron had withdrawn his concurrence. Mr. Malanick volunteered that the DCI was not impressed with the study and that collocation or consolidation was still preferred by him, notwithstanding the disadvantages and risks described in the study. Mr. Malanick asked whether or not the undersigned still supported the views put forth in the study, and I indicated that I did. Mr. Malanick mentioned that there appears to be a wide spectrum of thought with the DCI on one end [redacted] and I in the middle, and DoD on the other end.

3. On 12 October [redacted] called and said that the study had been forwarded to Admiral Murphy, Defense Director of Policy Review, with a covering letter from Lt. General Eugene F. Thighe, Director, DIA taking exception as outlined in paragraph 1. [redacted] said they were trying to expedite the letter because the House Subcommittee on Military Construction was scheduled to adjourn 21 October and before doing so Mr. McKay, the Chairman, had to release funds for the building and give DIA an exemption from the current military construction freeze.

Distribution:

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25X1 OL/RECD [redacted] (12 October 1977)

CIA/DIA Building Study

Michael J. Malanick
Acting Deputy Director for Administration

DDA 77-5519

11 October 1977

ADDCI

DCI

I was advised this morning that Gen. Aaron has now completely withdrawn his concurrence in the study following conversations with his Comptroller. We are further apart than we were before inasmuch as Aaron believes (1) the advantages of collocation are overstated in the report and (2) the DIA should not agree to joint logistical study groups on matters such as this in the future.

Aaron is probably going to write to Duncan informing him of the above.

Michael J. Malanick
Acting Deputy Director for Administration

ADDA/MJMalanick:lm (11 Oct 77)
Distribution:

Orig RS - ADDCI & DCI

1 RS - ER

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1 RS - ADDA Subject

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① RS - MJM Chrono

Background: DDA 77-5496, Memo for DCI & DepSec of Defense from J.H. [redacted] (DIA) & [redacted] 25X1, dated 7 Oct 1977, Subject: Collocation of CIA/DIA Facilities.

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FEASIBILITY STUDY FOR THE
COLLOCATION OR CONSOLIDATION OF THE PROPOSED DIA
HEADQUARTERS FACILITY WITH CIA FACILITIES
AT LANGLEY, VIRGINIA

25X1

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FEASIBILITY STUDY FOR THE COLLOCATION OR
CONSOLIDATION OF THE PROPOSED DIA HEADQUARTERS
FACILITY WITH CIA FACILITIES AT LANGLEY, VA

7 October 1977

I. Summary Introduction

25X 1. [] At the initiation of the Director of Central Intelligence and the Deputy Secretary of Defense, the undersigned were tasked with determining the feasibility of collocating or combining the proposed Defense Intelligence Agency (DIA) Headquarters Building at the CIA Headquarters Site, Langley, Virginia, rather than at Bolling Air Force Base as presently planned. Land and facilities occupied by both Agencies and the Bolling Air Force Base site for construction of the DIA building were inspected.

25X 2. [] We have concluded that the proposed collocation is technically feasible but not practically desirable at this late date. That is, from an engineering point of view, adequate space exists at the Langley site and there are no apparent insurmountable technical obstacles to the construction of a major building of the type envisioned by DIA. However, to do so would delay the DIA project several years while the necessary engineering analyses and, more importantly, Government approvals were obtained. From the point of view of DoD, such a delay cannot be tolerated, since existing inadequate facilities would seriously impair DIA operational performance, and would in fact preclude consolidation at any location during the remaining predicted life of structurally overstrained and leased facilities. Hence, any delay would risk disruptive intelligence failures at critical times.

25X 3. [] Notwithstanding our conclusion that this specific collocation or combining of facilities should not be undertaken, we do believe that the Director of Central Intelligence and the Deputy Secretary of Defense have identified a key weakness in the intelligence support process: the lack of a community-wide integrated logistics support concept from which facility requirements can be derived. Indeed, if the present impetus towards collocation and consolidation had been seriously considered 4 to 5 years ago, then our conclusion would have been far more favorable. We suggest that such a concept be investigated with participation by members of interagency logistics and operational planning elements.

25X 4. [] Considerations leading to these conclusions are more fully described in subsequent sections of this study.

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II. Common DIA/CIA Facility Concerns

25X1 [] Both DIA and CIA have, in recent years, experienced and attempted to solve certain common facility concerns including the following: a need for consolidation; elimination of overcrowding; a necessity to drastically upgrade utilities support to ADP operations with a concurrent need to ensure reliability of such support; and finally, increasing difficulty in maintaining and supporting aging facilities. While the problems have been common to both agencies, differing approaches were taken in correcting them.

1. Consolidation:

25X1 a. [] The CIA is currently located at some [] 25X1 major locations in the Metropolitan Washington Area (MWA) in addition to its Headquarters complex at Langley. These facilities comprise some [] net square 25X1 feet (NSF); approximately half is located at the Headquarters site. DIA occupies [] NSF in six scattered 25X1 major locations with [] NSF outside the Pentagon. Half the work force (including the majority of analysts) and all major industrial operations are in limited life facilities requiring replacement in five years. While CIA facilities are certainly more dispersed, the impact of dispersal is probably greater upon DIA since at least CIA has most of its major analytical and operational functions at the single Headquarters site. The effect of this dispersal is felt by both agencies in terms of reduced organization control and coordination with some loss of effectiveness plus significant, multimillion dollar loss of man-years by personnel forced to commute between facilities with a corresponding loss of analytical time.

25X1 b. [] Both DIA and CIA have been addressing the problem of consolidation for a number of years, although their approaches have been somewhat different. CIA has concentrated on upgrading its dispersed facilities working towards the day when these facilities in turn could be located at its Headquarters site in new constructed space. DIA, lacking a major headquarters facility, has worked primarily towards the construction of such a facility while making only modest efforts to upgrade its leased or assigned space.

25X1 c. [] At the present time DIA is far more advanced towards the construction of its new Headquarters facility at Bolling Air Force Base than the CIA is in consolidating its external facilities at Langley. DIA has completed

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all site planning and conceptual design, final design is being initiated, necessary approvals from the National Capital Planning Commission (NCPC) and the Commission of the Fine Arts have been obtained, and at least partial funding is available with the remainder anticipated for approval by Congress in the FY-1979 budget. The new DIA facility is designed to consolidate all operations, except the command element and the National Military Intelligence Center (NMIC) in the Pentagon and the photograph interpreters at NPIC, in a building that will house [] personnel in a gross area of [] square feet (SF) at an estimated cost of \$90.6 million.

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2. Overcrowding:

[] Serious overcrowding exists at both CIA and DIA facilities. Compared to a GSA norm of 150 SF per person, CIA's office ratio is [] SF per person and DIA's approximately the same. Such overcrowding adversely affects employee performance and morale, and, in computer and other equipment areas, presents real safety hazards. Neither CIA or DIA will be able to solve this problem without additional facilities.

3. Utilities Support for ADP-type Operations:

[] Both DIA and CIA have had serious problems in providing proper utilities support to ADP areas and in ensuring the reliability of such support. Since CIA facilities of this type were located in a permanent Headquarters Building, CIA had no reluctance in spending large sums of money in providing reliable, redundant backup utility systems. DIA, on the other hand, in anticipation of its new headquarters building, deferred major facility expenditures in occupied space and, as a result, is in serious operational difficulty with such facilities. Annually DIA suffers over 140 outages in its computer centers at Arlington Hall Station because of utility failures of one type or another with an associated loss of full intelligence coverage during these periods, not to mention resultant damage to sensitive ADP equipment and loss of computer time.

4. Maintainability and Supportability of Aging Facilities:

[] DIA and CIA are becoming increasingly concerned about the maintainability and supportability of their aging facilities. The problem is far worse for DIA which has a large portion of its organization still located in World War II temporary buildings at Arlington Hall Station and Anacostia. There are no facilities in the CIA inventory that are in anywhere near the sad condition of those facilities.

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III. DIA Concerns

25X1 1. ☐ Plans to consolidate DIA at Bolling Air Force Base have progressed beyond the concept development stage. The Agency is prepared to enter the contract documentation stage now so as to present the project to Congress in forthcoming military construction hearings in March 1978. Entry into this phase will be deferred pending a decision on collocation. The project and master plan for construction at Bolling have been successfully coordinated with the District of Columbia Government, the National Capital Planning Commission, and the Commission of the Fine Arts.

25X1 2. ☐ The Bolling site was reserved by the Congress in 1966 for DoD development, and later selected after DoD review of 55 possible other sites, including the Langley tract and adjacent property occupied by the Bureau of Public Roads. DoD did not have control of the property in that area. Acquisition of the property and approval of a master plan for development of a DIA complex were considered doubtful since NCPC had placed a ceiling on further Federal expansion in the area.

IV. Advantages of Proposed Collocation or Consolidation of DIA Facility at Langley:

Obviously, a collocation or consolidation of DIA facilities at virtually any nearby location would help solve many of the concerns expressed above. Additionally, collocation or consolidation at Langley offers the following advantages:

25X1 1. ☐ Coordination between the two agencies would be simplified and more effective simply because of their proximity. Some dollar savings resulting from a decrease of man-years lost in commuting and dissemination between facilities would result.

25X1 2. ☐ The collocation or consolidation of these facilities would go a long way towards promoting mutual understanding and cooperation in exchange of information between the agencies.

25X1 3. ☐ Joint use of support facilities would minimize unnecessary duplication of such facilities as libraries, printing plants, emergency utilities systems, and other similar facilities thereby realizing appreciable dollar savings.

25X1 4. ☐ In the future, it should be possible to provide new ADP, communications, and other sophisticated supporting systems designed and configured to support both agencies in anticipation of economic advantages accruing therefrom. Project SAFE is a good example of the type of functions which might be provided jointly for the benefit of both agencies.

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V. Disadvantages of Collocation or Consolidation at Langley:

More than offsetting the advantages cited above are the following disadvantages:

25X1 1. [] Either collocation or consolidation at Langley would delay the DIA project several years, resulting in a serious impairment of DIA operations due to current facility problems and limitations. The most probable site for the DIA facility is the CIA West Parking Lot in the area behind the Printing and Photography Building (see attached sketch). The magnitude of the construction planned and the specific site are not in accordance with the current NCPC-approved CIA master plan, and, as a result, a long series of hearings with NCPC would be required seriously delaying the project. A new environmental impact statement, a quite lengthy process, would also be required as would consideration by local governmental bodies. Consolidation, that is, a blending of both DIA and CIA requirements into new, combined facilities, as contrasted to simply collocation, could delay the project even longer.

25X1 2. [] DIA collocation would place CIA plans for consolidation in serious jeopardy. While projected DIA population levels are consistent with those approved by NCPC for the Langley site, there is serious doubt as to whether NPCP approval could be obtained for the considerably higher personnel levels which would result if both DIA and CIA consolidation needs were to be met at Langley. Specifically, in addition to the present Headquarters population, another [] persons would be added including the [] projected for DIA plus another [] considered desirable for consolidation by CIA. Moreover, significant engineering problems are also anticipated in that while the Langley site is large, much of the topography is not well suited for major building construction. 25X1

25X1 3. [] Short-term costs for collocation at Langley would exceed those currently projected for construction at Bolling. Escalation alone due to construction delay, would drive costs up to at least \$105 million for construction and \$7 million for design. DIA would also lose \$1.3 million in design effort and require \$1 million to reach the present state of design for construction at Langley. Should GSA ultimately be designated as the support agency for the building, then annual rental payments to GSA would add another \$6.6 million, far in excess of that which would result if the military provided such support. The DIA building at Bolling would pay for itself in 12 years. Rental to GSA during the same period would equal \$115 million, assuming escalation at 6.5 percent annually.

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25X1 4. ☐ Construction of the facility for DIA at Langley would raise a large number of Governmental issues which would take considerable time to resolve. These would include such questions as the following: Can military construction funds be used on other than military sites? What role, if any, would GSA play in the construction or maintenance of the new proposed facility? What role would the Navy, as construction agent for DIA play? Would DoD (or GSA) have to readvertise the project and convene another board to select another design firm?

25X1 5. ☐ The placement of a high concentration of community functions at a single location might present a serious security risk in the event of natural disaster or terrorist attack.

VI. Conclusions

In view of the above, we conclude that:

25X1 1. ☐ The current disadvantages associated with locating the DIA facility at Langley more than outweigh the advantages, and DIA should be permitted to proceed with construction as planned at Bolling Air Force Base.

25X1 2. ☐ Since the above conclusion would have been far more favorable had the proposal been seriously considered five years ago, during preliminary planning, there is a real need for central coordination and approval of major facilities construction and associated logistical support within the community. We suggest that such a concept be investigated with participation by members of interagency logistics and operational planning elements.

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